APPENDIX.

Statutes and Regulations.

Sec. 605 of the Revenue Act of 1932.

"There is hereby imposed upon the following articles, sold by the manufacturer, producer, or importer, a tax equivalent to 10 per centum of the price for which so sold: All articles commonly or commercially known as jewelry, whether real or imitation; pearls, precious and semi-precious stones, and imitations thereof; articles made of, or ornamented, mounted or fitted with, precious metals or imitations thereof or ivory (not including surgical instruments or silver-plated ware, or frames or mountings for spectacles or eyeglasses); watches, clocks; parts for watches or clocks sold for more than 9 cents each; opera glasses; lorgnettes; marine glasses; field glasses; and binoculars. No tax shall be imposed under this section on any article used for religious purposes, or any article (other than watch parts or clock parts) sold for less than $3."

Sec. 619 of the Revenue Act of 1932.

"* * * (b) If an article is—

(1) sold at retail;

(2) sold on consignment; or

(3) sold (otherwise than through an arm's length transaction) at less than the fair market price;

the tax under this title shall (if based on the price for which the article is sold) be computed on the price for which such articles are sold, in the ordinary course of trade, by manufacturers or producers thereof, as determined by the Commissioner. * * *"

Sec. 623 of the Revenue Act of 1932.

"In case any person acquired from the manufacturer, producer, or importer of an article, by operation of law or as a result of any transaction not taxable under this title, the right to sell such article, the sale of such article by such person shall be taxable under this title as if made by the manufacturer, producer, or importer, and such person shall be liable for the tax."

Sec. 629 of the Revenue Act of 1932.

"This title shall take effect on the 15th day after the date of the enactment of this Act, except that section 628, relating to rules and regulations, and this section, shall take effect on the date of the enactment of this Act. No sale or importation after June 30, 1934 * * * shall be taxable under this title."

Sec. 212 of the National Industrial Recovery Act of 1933.

"Titles IV and V of the Revenue Act of 1932 are amended by striking out '1934' wherever appearing therein and by inserting in lieu thereof '1935'."

Sec. 609 of the Revenue Act of 1934.

"The tax imposed by section 605 of the Revenue Act of 1932 shall not apply to articles sold by the manufacturer, producer, or importer, after the date of the enactment of this Act, for less than $25."

Joint Resolution of June 28, 1935.

"* * * That title IV, as amended, and parts I, II, III and IV of title V, as amended, of the Revenue Act of 1932, are further amended by striking out '1935' wherever appearing therein, and inserting in lieu thereof '1937'. * * *"

Sec. 809 of the Revenue Act of 1936.

"The tax imposed by section 605 of the Revenue Act of 1932 shall not apply to any article sold by the manufacturer, producer, or importer after the date of the enactment of this Act."

Regulations 46, Relating to Excise Taxes on Sales by the Manufacturer under Sections 602 to 611, inclusive, 613, and 614 of the Revenue Act of 1932.

Art. 1. "The tax imposed under Title IV of the Revenue Act of 1932, is on articles sold, leased, or used by the manufacturer, producer, or importer on or after June 21, 1932, even though manufactured, produced, or imported before that date. * * *"

Art. 3. "The tax covered by these regulations shall be paid by the manufacturer, producer, or importer on all sales, whether made directly or through an agent, * * *."

Art. 4. "As used in the Act, the term 'producer' includes a person who produces a taxable article by processing, manipulating, or changing the form of an article, or produces a taxable article by combining or assembling two or more articles. * * *"

Art. 5. "In general the tax attaches when the title to the article sold passes from the manufacturer to a purchaser.

"When title passes is dependent upon the intention of the parties as gathered from the contract of sale and the attendant circumstances. In the absence of expressed intention, the legal rules of presumption followed in the jurisdiction where the sale is made govern in determining when title passes. Generally, title passes upon delivery of the articles to the purchaser or to a carrier for the purchaser.

"In the case of a sale on credit, it is immaterial whether or not the purchase price is actually collected."